

FISCAL NOTE

SB 406

February 13, 1997

SUMMARY OF BILL: Includes in the basic education program (BEP) formula an amount of money sufficient to fund one alternative school per local education agency for suspended or expelled students in grades 7-12 or one alternative school per 10,000 students if a local education agency has a total enrollment of 10,000 or more students in grades k-12.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - Exceeds \$100,000

Increase Local Govt. Expenditures* - Exceeds \$100,000

Such increased expenditures will depend on the number of additional alternative schools which will be required under the provisions of the bill. The BEP formula already contains an alternative school component which funds each system at \$2.21 per total k-12 ADM plus \$18.54 per ADM in grades k-12. This generated a statewide total of approximately \$8.8 million in the BEP formula for 1995-96 for local education agencies.

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director